

Agenda Date: December 28, 2001
Item Number: 3B

Docket: **TG-010374**
Company Name: Solid Waste General

Staff: Cathie Anderson, Regulatory Analyst, Team Lead
Eugene Eckhardt, Assistant Director, Water and Solid Waste
Robert Colbo, Transportation Program Staff
Layne Demas, Regulatory Analyst
Nicki Johnson, Regulatory Analyst

Recommendation:

- (1) Adopts the attached proposed solid waste tariff template as the Commission-approved standard solid waste collection company tariff;
- (2) Requires that traditional waste collection companies use the standard template for all future filings; and
- (3) Requires traditional solid waste collection companies to make a filing to convert their currently filed tariffs using the standard tariff template within 12 months.

Discussion:

The Commission adopted new rules governing the operations of solid waste collection companies. The new rules became effective April 23, 2001. An element of the implementation plan for the new rules required a review of the standard solid waste collection tariff template and updating it to reflect the new rules. At the same time, Staff reviewed the tariff to reflect current industry practice and to structure tariff format to facilitate a database of solid waste rates for e-government delivery of information to consumers through the Commission's internet page.

WAC 480-70-281 of the newly adopted rules states: "A company must file tariffs meeting the following criteria: (1) Tariffs must be on forms available from the commission or on comparable forms approved by the commission ..." In drafting the rules, it was anticipated that traditional solid waste collection companies would use a standard tariff template available from the Commission and specialized solid waste collection companies would use alternate forms approved by the Commission.

"Traditional solid waste collection companies" is a term defined in the new solid waste rules. The term is defined as:

"Companies engaged in collecting and removing solid waste and recyclable materials from private homes, and/or removing solid waste from commercial establishments, industrial facilities, and other sites. Solid waste is normally picked up on a daily, weekly, or other regular basis. Drivers are usually assigned designated routes to collect curbside residential solid waste or transport cans or

containers for commercial businesses. Unless the company's certificate is restricted against doing so, a traditional solid waste collection company may also perform specialized solid waste collection service."

Staff held a meeting with industry representatives on September 21, 2001, to discuss proposed amendments to the standard tariff format. Following that meeting, a number of amendments proposed by Solid Waste Staff, Consumer Affairs Staff, and industry representatives were incorporated into the standard tariff format. The amended standard tariff template is attached to this memorandum and Staff recommends the Commission adopt it as the standard tariff format to be used by traditional solid waste collection companies.

For the most part, both Staff and industry representatives support the attached amended standard tariff format. There is, however, some disagreement between Staff and industry representatives about the structure of Items 240, 250, 260 and 270 of the tariff template. These items address container and drop-box service using company-owned receptacles. Staff believes the monthly rent component of the rate should be broken out to provide information to the consumer. Industry representatives believe that the monthly rent component of the rate should be embedded in the charge for the first pickup. Following lengthy discussion, it appears that this difference cannot be resolved.

Staff believes that to hold the adoption of the standard tariff template up pending a resolution of the issue noted above would be unwise. Staff believes that it is important that the new format be adopted and made available for use by solid waste collection companies. The standard format currently available contains some items that conflict with the newly adopted rules, and its use leads to confusion on the part of companies, regulatory staff, and consumers. Additionally, Licensing Services is almost ready to proceed with use of a new application form that is consistent with the new rules. The tariff template is an important part of the licensing packet; thus to hold up adoption of the tariff template also affects distribution of the amended application forms.

Staff acknowledges that companies should be allowed some flexibility in use of the new tariff format. Companies should be allowed to amend the standard tariff template to reflect their company's particular operational needs. For example, those companies that do not provide drop-box service should be allowed to eliminate from their filed tariffs those items defining rules for service and rates for drop boxes. Companies that do not offer removal of litter bins, bales, loose materials, etc., should be allowed to leave items dealing with these services out of their filed tariffs. All such amendments should be consistent with laws and rules, in the public interest, and approved by the Commission.

Recommendation:

Staff recommends the Commission issue an order that:

- (1) Adopts the attached proposed solid waste tariff template as the Commission-approved standard solid waste collection company tariff;
- (2) Requires that traditional waste collection companies use the standard template or an approved alternate for all future filings; and
- (3) Requires traditional solid waste collection companies to make a filing using the standard tariff template within 12 months of the service date of the order.

Attachment